

ECONOMIC DEVELOPMENT COMMITTEE EDC 19-00 (p 11)

Date	13 December 2000
Time	2.00-5.30pm
Venue	Committee Room 1

The paper following, which is the National Assembly's response to the Urban White paper, has been passed to EDC Members, from the Local Government and Housing Committee, for information.

Committee Secretariat

LGH-15-00 (p.4)

LOCAL GOVERNMENT AND HOUSING COMMITTEE

URBAN REGENERATION: NATIONAL ASSEMBLY RESPONSE TO THE URBAN WHITE PAPER

Purpose and Action

1. This paper provides the Committee with a summary of the Urban White Paper: *Our towns and cities: the future - Delivering an urban renaissance*, prepared by the Department of the Environment, Transport and Regions (DETR); outlines the response of the Assembly and provides the Committee with an opportunity to comment.

The Urban White Paper – a summary

2. The DETR published its Urban White Paper on 16 November – a copy is available on the DETR website at:

<http://www.regeneration.detr.gov.uk/policies/ourtowns/cm4911/index.htm>

It is a response to the Lord Rogers' Task Force report - *Towards an Urban Renaissance* –

produced in mid 1999 and has a forward by the Deputy Prime Minister and comprises seven Chapters:

Chapter 1: Towns and Cities today

Chapter 2: Towns and cities: issues and vision

Chapter 3: Delivering better towns and cities

Chapter 4: Places for people

Chapter 5: Creating and sharing prosperity

Chapter 6: Quality service and opportunities for all

Chapter 7: Making it happen: action for all

Annex: Recommendations of the Urban Task Force Report

3. The Paper articulates the Government's view that economic, social and environmental issues must be tackled together. The vision for towns and cities is to see:

- **people shaping the future** of their community, supported by strong and truly representative local leaders;
- people living in **attractive, well kept towns and cities** which use space and buildings well;
- good design and planning which makes it practical to live in a **more environmentally** sustainable way, with less noise, pollution and traffic congestion;
- towns and cities able to **create and share prosperity**, investing to help all their citizens reach their full potential; and
- **good quality services** – health, education, housing, transport, finance, shopping, leisure and protection from crime – that meet the needs of people and businesses wherever they are.

4. The White Paper acknowledges the different sizes and characteristics of cities and towns. But it also highlights the need for all to respond to common and continuing changes such as economic and social issues; changes in work practices; people living longer; fewer children and people having them later in life and more people living alone. Here in Wales the policy implications are significant because the overwhelming majority of the people of Wales live in the urban areas and 16 out of our 20 most deprived communities are in the urban areas.

Action in Wales

5. Many of the issues covered in the White Paper therefore apply equally to Wales; but the Assembly has already developed a long term vision to combat poverty and social disadvantage and to bridge the gap between the most deprived and affluent communities in Wales. The Partnership Agreement articulates many of the programmes and initiatives to be pursued and *betterwales.com* sets out medium and long-term targets for achieving objectives against the Assembly's three guiding themes – tackling social disadvantage, sustainable development and promoting equal opportunities. This is now being backed up with resources.

6. The distinctive 'Made in Wales' agenda that responds to many of the issues raised in the White Paper includes action in ten key inter-linked areas:

- tackling social disadvantage through the Communities First programme. This will address many of the initiatives in the action plan for neighbourhood renewal referred to the White Paper - embracing health promotion, health inequalities, community development and vulnerable people issues. Communities First will be targeted at the most deprived communities in Wales and will involve commitment and partnership from national level right down to community level. The Assembly is injecting an extra £15 million a year by 2003-2004 into the Communities First programme aimed at up to 100 of the most deprived communities in Wales. Other bodies such as the WDA will also be funded to play a full role in this partnership;
- concentrating on housing, we are developing a National Housing Strategy for Wales which will include a new approach to private housing, the promotion of sustainable communities by improving poor quality housing and giving people more choice. The Assembly is increasing the local authority general capital funding and Supplementary Credit Approvals for housing by £5 million next year, increasing to £20 million by 2003-2004. This will enable local authorities to improve public and private sector housing following many years of declining baselines for housing. The Assembly has also set up a Homelessness Commission which will address how we can tackle the plight of the homeless in the longer term, but we have further increased funding for homeless to help achieve the Assembly's commitment to eliminate the need for rough sleeping.
- focussing on crime and disorder, where we are introducing new programmes to help young people together with policies that aim to improve local facilities and promote a high quality environment, free from crime. The urban areas will in particular benefit from these policies and, as part of this, the key role played by the voluntary sector is recognised with an increase in funding of some £55 million by 2003-2004 for schemes such as the Youth Access Initiative for 14-17 year olds and the Youth Gateway;
- bringing forward targeted policies for sustainable development including a strategy for waste management which will benefit from an extra £24 million by 2003 and a review of Planning Policy Guidance to encourage effective use of land in urban areas including the use of derelict, unused or waste land with an emphasis on brownfield sites;
- addressing integrated transport through a framework for Wales with an overarching

areas including the growth of the knowledge economy, entrepreneurship and the growth of the social economy through the establishment of a Community Investment Authority and support for Credit Unions.

- using European Structural Funds (and particularly Objective 1) to maximum advantage in support of a wide range of activities that directly and indirectly impact on urban development and regeneration, including the URBAN programme in Wrexham. The Objective 1 Single Programme Document covers a number of priorities and measures for improving economic infrastructure, supporting community-based regeneration, skills and training, transport and environmental improvements which will help deliver many of the Assembly's objectives and initiatives over the next six years. Flagship projects include Finance Wales and the expansion of Wales' Credit Union network. The Assembly is also increasing the Local Regeneration Fund by £11 million by 2003-2004, aimed at the sustainable regeneration of deprived areas in Wales. Most of the budget is eligible to be used as match funding for Structural Funds;

The Pre-Budget Report

7. The Chancellor of the Exchequer's statement on 8 November contained a number of initiatives in this area including:

- **Stamp duty exemption for disadvantaged communities:** Stamp duty will be abolished for all property transactions in Britain's most disadvantaged communities to stimulate the property market and encourage urban renewal.
- **Accelerated payable tax credits for cleaning up contaminated land:**

Giving property investors immediate tax relief for their clean-up costs - instead of having to wait until the land is sold - will make more projects to regenerate derelict sites more viable for the benefit of local residents and businesses. This will help address the legacy of the past and reduce the pressure on greenfield sites.

- **100 per cent capital allowances for creating 'flats over shops' for letting:** Immediate tax relief to property owners for the costs of converting redundant space over shops into flats for letting, encouraging better use of the vacant and under-utilised space above shops and other commercial premises; and
- **VAT reform to encourage additional conversion of properties for residential use:** A package of VAT measures to encourage the creation of additional homes. This will involve cutting the VAT rate to 5 per cent for residential conversions and removing the VAT burden on developers renovating and selling houses that have been empty for at least 10 years. These steps will help encourage the redevelopment and re-use of buildings, helping to reduce pressure for greenfield development as well as improving

the urban environment for local residents.

Financial Implications

8. There are no additional financial implications for the Assembly arising from this paper.

Compliance

9. Section 40 of the Government of Wales Act 1998 and Standing Order 9.

Conclusion

10. The Committee is therefore invited to note that:

- the Assembly has its own clear vision, policies and programmes for the urban areas of Wales – and indeed the whole of Wales. These emphasise the Assembly's commitment to developing better communities where people want to live, work and play; have access to economic opportunities and a pleasant and safe environment;
- there is a major theme of social inclusion running through the Budget. It is designed to tackle the problems of our run-down areas, and improve the position of the disadvantaged in our society by injecting over £175 million extra by 2003-2004 into promoting social inclusion;
- it is proposed to take forward this work on policies and programmes in collaboration with partners both from within Wales and further afield to deliver best practice and quality assured programmes covering both physical and social regeneration. A new Urban Unit is being established within the Assembly to co-ordinate this work.

Distribution

11. Copies of this paper have been sent to the Culture, Economic Development, Education and Lifelong Learning, Environment, Planning and Transport and the Health and Social Services Committees.

